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IN THE

United States Court of Appeals

FOR THE FIFTH CIRCUIT

No. 18,547

TENNESSEE GAS TRANSMISSION COMPANY

v.

FEDERAL POWER COMMISSION

No. 18,597

THE MANUFACTURERS LIGHT AND HEAT COMPANY, ET AL.

v.

FEDERAL POWER COMMISSION

On Petition to Review Orders of the Federal Power Commission

JOINT APPENDIX

Volume I

EXCERPTS FROM TRANSCRIPT OF PROCEEDINGS

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Gardiner Symonds

By Mr. Littman:

Q. Please state your name, residence and position with Tennessee Gas Transmission Company. A. My name is Gardiner Symonds, and I reside in Houston, Texas. I am Chairman of the Board and President of Tennessee Gas Transmission Company and am the Chief Executive Officer of that company.

Q. Please state your educational background and experience. A. I was graduated from Leland Stanford University in 1924, with a degree in Geology.

I worked for the Corn Exchange National Bank, Merchants Loan and Trust, and Illinois Merchants Trust Company, for approximately a year;

I then went to the Harvard Graduate School of Business Administration, receiving my degree there in February 1927.

I returned to the Illinois Merchants Trust Company, which subsequently became the Continental Illinois National Bank and Trust Company of Chicago, and was assigned by that company to its affiliate, The Chicago Corporation. I worked in successive positions of clerk, statistician, investigator, analyst, junior officer, officer, and, later, director. I served on a number of boards of directors as a nominee of that company.

In September 1943, I was made President and Director of Tennessee Gas Transmission Company, and in June 1958 I was

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elected Chairman of the Board and have since served in those capacities. At the present time I am a member of

the board of directors of several corporations including the National Bank of Commerce of Houston, Texas.

Q. Have you, as Chief Executive Officer of Tennessee Gas Transmission Company, had the principal responsibility for the sale of its securities to raise necessary capital funds? A. Yes, I have.

Q. Please describe in a general way Tennessee's growth, what Tennessee's capital requirements have been, and how such capital funds have been raised. A. At December 31, 1945 after the first full year of operation, Tennessee's plant investment amounted to some $65 million. The funds for this investment were provided through the issuance of some $50 million of long term debt, $7.5 million of preferred stock, and a like amount of common stock. Since that date Tennessee's growth has been rapid, its total capital now being some $1.2 billion.

This growth has required the successful issuance and sale of large amounts of securities by Tennessee. For example, long term debt outstanding as of December 31, 1959 was approximately $700 million as compared with $50 million in 1945. The long term debt issued during this period actually exceeded this net increase because of refunding issues in 1946 and in 1954, and the reduction resulting from sinking fund operations.

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Without going into details now I might say also that there have been relatively large amounts of capital funds provided from preferred and common stock sales over this period.

Q. Do you anticipate a continuation of the growth of Tennessee? A. Yes, Tennessee's growth will continue. It has always been our policy to meet the increasing natural gas requirements of our customers and there is no indication at the present time that there is to be any slacken-